



Retirement and Insurance Service
Benefits Administration Letter

Number: 02-407

Date: October 24, 2002

**Subject: 2002 Federal Employees Health Benefits (FEHB) Program Open Season:
Notice to Employees**

GENERAL

This Letter contains a sample announcement for agencies to use to notify their employees of the upcoming FEHB open season, as well as instructions to agencies concerning the notification.

REQUIRED LANGUAGE

Office of Management and Budget (OMB)

The Office of Management and Budget asked us to advise you to include the following statement in your notices to employees about open season:

Please note that information you provide by enrolling in the Federal Employees Health Benefits Program may also be used for computer matching with Federal, State, or local agencies' files to determine whether you qualify for benefits, payments, or eligibility in the Federal Employees Health Benefits Program, Medicare, or other Government benefits programs.

Temporary Continuation of Coverage (TCC)

The FEHB law requires that before open season, you notify all employees eligible for FEHB, whether enrolled or not, of their rights under temporary continuation of coverage. We included language about TCC in our suggested announcement. If you prepare your own open season announcement you must include this TCC language.

*Civil Service
Retirement
System*

*Federal Employees'
Group Life
Insurance Program*

*Federal Employees
Health Benefits
Program*

*Federal Employees
Retirement
System*

*Federal
Long Term
Care Insurance
Program*

Agency Responsibility

You must inform your employees, participating former spouses, and TCC enrollees, in advance, of the dates and purpose of open season. You may use the attached a suggested announcement.

Federal Long Term Care Insurance Program (FLTCIP) Open Season

The U.S. Office of Personnel Management is pleased to sponsor the Federal Long Term Care Insurance Program, an important new benefit for Federal and Postal employees and annuitants, members and retired members of the uniformed services and their qualified relatives. Long Term Care Partners, LLC, a joint partnership formed by John Hancock Life Insurance Company (John Hancock) and Metropolitan Life Insurance Company (MetLife), is administering the FLTCIP.

The FLTCIP Open Season continues through December 31, 2002, and is active employees' opportunity to apply for coverage with abbreviated underwriting. We are asking you to include information on the FLTCIP open season in your announcement to employees. We have included language in the attached sample announcement.

FEHB WEBSITE

We are encouraging all employees to use the FEHB Web Site during the 2002 Open Season. You may download the 2003 FEHB Guides, Plan brochures, SF 2809, as well as all open season Benefits Administration Letters (BAL) from this site. All Federal agencies at the headquarters and installation levels must take steps to seek out visually impaired employees and to let them know that the large-print FEHB Guide, the cassette tapes, and the FEHB web site are available. **All of the information in the FEHB Guides, as well as each health plan brochure, is also available in electronic formats accessible to the visually impaired on the website. Please encourage your employees to visit the website at www.opm.gov/insure.**



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Attachment 1

SUGGESTED ANNOUNCEMENT

NOTICE TO EMPLOYEES

SUBJECT: 2002 Health Benefits Open Season

The Federal Employees Health Benefits (FEHB) open season is November 11 through December 9, 2002. Your current health plan will send you a copy of its brochure and a notice of its 2003 rates before open season begins. Be sure you review the section of the brochure that describes how benefits have changed for 2003.

During open season, any eligible employee who is not currently enrolled may enroll, and any eligible enrollee may change from one plan or option to another, from self only to self and family, or make a combination of these changes. In addition, open season allows employees to change their premium conversion election. An eligible employee who enrolls in FEHB may elect to participate or to waive participation in premium conversion. An eligible enrollee may elect to begin participation if they have previously waived, or waive participation.

Enrollees who wish to continue their current FEHB enrollments and premium conversion elections do not need to take any action during this open season. **However, enrollees whose plans will not be participating in the FEHB Program after December 31, 2002, or whose plans dropped the enrollment code they are enrolled in, MUST enroll in a different plan to continue FEHB coverage in 2003.** (See attached lists of terminating plans and codes.) *[If you do not attach the list, include the names of the terminating plans within the text of your announcement.]*

Types of Plans Available Under the FEHB Program

Managed Fee-for-Service Plans

These plans reimburse you or your health care provider for covered services after you receive the service. If you enroll in one of these plans, you may choose your own physicians, hospitals, and other health care providers.

These plans are considered "managed" because they all contain features such as pre-certification of hospital admissions and utilization review of ongoing care. In addition, most of the fee-for-service plans have preferred provider arrangements in many parts of the country. You can reduce your out-of-pocket expenses and, in some cases, receive enhanced benefits by using preferred providers.

Fee-for-service plans include the Blue Cross Blue Shield Service Benefit Plan and plans sponsored by unions and other employee organizations. Several employee organization plans are open to all eligible employees who are full or associate members of the organizations that sponsor the plans. Other employee organization plans are restricted to certain groups and/or agencies.

(See the employee organization plan brochures for information about membership requirements and membership dues, which are in addition to your biweekly or monthly premiums)

Health Maintenance Organization Plans (HMOs)

These plans provide a comprehensive array of medical services, emphasizing prevention and early detection of disease, through contracted physicians, hospitals, and other providers in particular locations.

Each HMO is open to employees within the plan's enrollment area. You cannot enroll in an HMO if you are located outside its enrollment area. Refer to the plan's brochure if you have any questions about the enrollment area. **If you are enrolled in an HMO, be sure to review the brochure carefully to see if there are any changes in the plan's service area, which would require any action on your part.**

Plans Offering a Point of Service (POS) Product

Some FEHB plans combine their features. A number of fee-for-service and HMO plans offer two forms of health care delivery, known as "in network" and "out of network."

In an HMO that offers a POS product, the POS product acts like a fee-for-service plan. The HMO enrollees may use non-affiliated (out of network) providers if they wish, but the services will cost them more--in terms of deductibles and coinsurance--than if they used plan providers.

In a fee-for-service plan with a POS product, the POS product acts like an HMO. If they agree to let their medical care be managed by in network physicians, plan enrollees will get a **better** benefit, usually in the form of richer benefits and lower copays or coinsurance.

If you are considering enrolling or making an enrollment change, contact [location] to obtain a copy of the 2003 Guide to Federal Employees Health Benefits Plans (FEHB Guide). The FEHB Guide contains a comparison chart that gives general information about each plan. The Guide also shows the biweekly and monthly premium rates, as well as the accreditation status of those plans that took the initiative to seek review by the National Committee for Quality Assurance (NCQA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and/or American Accreditation Healthcare Commission (URAC).

Do not rely solely on the FEHB Guide when deciding whether to enroll or change enrollment to a specific plan. If you decide you are interested in making an enrollment change after reviewing the FEHB Guide, you should consult the plan's brochure for a complete description of benefits. Brochures for all plans will be available for your inspection at *[location]*.

Internet Availability

If you have access to the Internet, you should know that all 2003 FEHB Guides and health plan brochures will be available from the Office of Personnel Management's (OPM) web site (<http://www.opm.gov/insure>). The Guides and brochures will be available in PDF format for downloading and printing, as well as a text version suitable for the visually impaired. The web site will contain links from the Guides and brochures to health plan web sites for information about the plans, as well as links to other related web sites.

How to Enroll or Make an Enrollment Change During Open Season

Employees who wish to enroll or change their FEHB enrollment must complete a Health Benefits Registration Form [Standard Form (SF) 2809]. These forms are available from the *[name and room number of appropriate office]* and must be completed and submitted to that office before the close of business on the last day of open season. You may also obtain the SF 2809 from the OPM web site.

Employees who wish to change their premium conversion election must complete a FEHB Premium Conversion Waiver/Election Form. You should make desired enrollment changes as early as possible during open season to ensure timely processing.

[Agencies whose employees have access to Employee Express should provide information to their employees about using the system to make open season changes.]

New enrollments, changes to current enrollments, and changes to premium conversion elections made during open season generally will become effective the first day of the first pay period beginning on or after January 1, 2003. If you change plans, any covered expenses incurred between January 1, 2003, and the effective date of the open season change will count toward the 2002 deductible of the plan you are changing from.

Information that you provide by enrolling in the Federal Employees Health Benefits Program may be used for computer matching with Federal, state, or local agencies' files to determine whether you qualify for benefits, payments, or eligibility in the Federal Employees Health Benefits Program, Medicare, or other Government benefits programs.

Temporary Continuation of Coverage (TCC)

If you have FEHB coverage and leave Federal employment, you will usually be eligible for up to 18 months of TCC (unless you are separated for gross misconduct). TCC can continue for up to 36 months for dependents who lose eligibility as family members under your enrollment. This includes spouses who lose coverage because of divorce and children who lose coverage because they marry or reach age 22.

TCC enrollees must pay the total plan premium (without a Government contribution) plus a 2% charge for administrative expenses. There are specific periods within which you or your dependent must enroll for TCC. Contact your personnel office for a copy of RI 79-27 for more information.

Important: You must exhaust TCC eligibility as one condition for guaranteed access to individual health coverage under the Health Insurance Portability and Accountability Act.

PATIENT SAFETY

Medical error and patient safety are not well understood by most Americans. Every hour, many Americans die in a hospital due to avoidable errors, and others become disabled. Many patients get the wrong medicine, tests, and/or diagnosis. By asking questions, learning more, and understanding your risks, you can improve the safety of your health care, and that of your family members. We are asking that enrollees take steps to get safer health care. We have attached a copy of the "Five Steps to Safer Health Care."

FEDERAL LONG TERM CARE INSURANCE PROGRAM (FLTCIP) OPEN SEASON

FEHB Plans do not cover long term care. You can protect yourself against the high cost of long term care by applying for insurance in the Federal Long Term Care Insurance Program (FLTCIP). Open Season to apply for coverage ends on December 31, 2002. There are several advantages to applying during Open Season:

- You and your spouse need only answer a few questions about your health during Open Season. You can still apply after Open Season, but you will have to answer more health-related questions.
- Your premiums are based on your age as of July 1, 2002. After Open Season, your premiums are based on your age at the time LTC Partners receives your application.

FEHB plans do not cover the cost of long term care! Long term care insurance is designed to help cover the cost of services for people needing assistance with activities of daily living (custodial care), such as eating, dressing, and bathing, or who have a severe cognitive impairment such as Alzheimer's

disease. Care can be received at home, an adult day care center, a hospice, an assisted living facility, or a nursing home.

Your qualified relatives are also eligible to apply for coverage. This includes your current spouse, adult children, parents, parents-in-law, and stepparents.

Unlike other benefit programs, you have to take action – you won't receive an application automatically. You must request one through the toll-free number or website listed below.

The FLTCIP web site, www.ltcfeds.com, offers online applications, an interactive calculator to provide customized price quotes based on age and choice of benefits, and educational resources about long term care and long term care insurance. You may also call 1-800-LTC-FEDS (1-800-582-3337); (TDD for the hearing impaired: 1-800-843-3557) to speak to a certified long term care insurance specialist.

Act now so you won't miss the abbreviated underwriting available to employees and their spouses, and the July 1 "age freeze". Order an Open Season Information Kit with application today!

{End sample announcement}

Five Steps to Safer Health Care

1. **Speak up if you have questions or concerns.** Choose a doctor who you feel comfortable talking to about your health and treatment. Take a relative or friend with you if this will help you ask questions and understand the answers. It's okay to ask questions and to expect answers you can understand.
2. **Keep a list of all the medicines you take.** Tell your doctor and pharmacist about the medicines that you take, including over-the-counter medicines such as aspirin, ibuprofen, and dietary supplements like vitamins and herbals. Tell them about any drug allergies you have. Ask the pharmacist about side effects and what foods or other things to avoid while taking the medicine. When you get your medicine, read the label, including warnings. Make sure it is what your doctor ordered, and you know how to use it. If the medicine looks different than you expected, ask the pharmacist about it.
3. **Make sure you get the results of any test or procedure.** Ask your doctor or nurse when and how you will get the results of tests or procedures. If you do not get them when expected -- in person, on the phone, or in the mail -- don't assume the results are fine. Call your doctor and ask for them. Ask what the results mean for your care.
4. **Talk with your doctor and health care team about your options if you need hospital care.** If you have more than one hospital to choose from, ask your doctor which one has the best care and results for your condition. Hospitals do a good job of treating a wide range of problems. However, for some procedures (such as heart bypass surgery), research shows results often are better at hospitals doing a lot of these procedures. Also, before you leave the hospital, be sure to ask about follow-up care, and be sure you understand the instructions.
5. **Make sure you understand what will happen if you need surgery.** Ask your doctor and surgeon: Who will take charge of my care while I'm in the hospital? Exactly what will you be doing? How long will it take? What will happen after the surgery? How can I expect to feel during recovery? Tell the surgeon, anesthesiologist, and nurses if you have allergies or have ever had a bad reaction to anesthesia. Make sure you, your doctor, and your surgeon all agree on exactly what will be done during the operation.